

Fras-le S.A.

Corporate Taxpayer's ID (CNPJ/MF): 88.610.126/0001-29
Publicly-Held Company

Executive Board's Charter

1. PURPOSE

1.1. The purpose of this Charter ("Charter") is to regulate the activities of the Statutory Executive Board ("Executive Board") of Fras-le S.A. ("Company"). Its provisions are complementary to and/or regulatory of the rules contained in the Company's Bylaws ("Bylaws") and the legislation governing the activities of the Company and its Executive Board.

2. COMPOSITION

2.1. The composition of the Executive Board, as well as the term of office, election or replacement procedures, and the investiture of the Executive Officers are those defined in the applicable legislation, the Bylaws, and B3's Corporate Governance Level Regulation to which the Company has adhered, complemented by the provisions of this Charter, where not in conflict.

2.2. The Company's Executive Board will be composed of at least 2 (two) and at most 9 (nine) members, shareholders or not, elected by the Board of Directors.

2.3. The Executive Officers will have a unified term of office of 2 (two) years, with re-election permitted, and extending until their successors take office. They may be replaced at any time by a resolution of the Board of Directors.

2.4. The Executive Board shall be composed of a CEO, a Managing Director, an Investor Relations Officer, and other Executive Board members with no specific designation. The role of the Investor Relations Officer may be combined with that of another Executive Officer, as well as the accumulation of positions among the other Executive Officers.

2.5. The positions of CEO or main executive of the Company and Chair of the Board of Directors cannot be held by the same person, and the functions of the Executive Board members are non-delegable.

2.6. In the event of a vacancy in the position of CEO or Managing Director, the Board of Directors shall meet within 10 (ten) days to elect a replacement to complete the unified term of office of the Executive Officer replaced. In the event of absence or impediment of one of the Executive Board members, the Board of Directors shall appoint an Executive Officer to assume the responsibilities of the absent or impeded member. In case of a vacancy, respecting the legal minimum, if deemed necessary, the Board of Directors will elect a substitute to fulfill the term of office of the Executive Officer replaced.

3. INVESTITURE

3.1. The Executive Officers shall take office within up to 30 (thirty) days from the election, upon signature of the respective Term of Office drawn up in the Minutes Book of the Executive Board's Meetings.

3.2. To take office, the Executive Officers must sign the Term of Office drawn up in the Minutes Book of the Board, the declaration of impediment for the exercise of the position, the agreement to B3's Corporate Governance Level Regulation, and the declaration required by CVM Resolution 44, of August 23, 2021; and adherence to the Company's Code of Ethical Conduct and the Information Disclosure and Securities Trading policies.

4. RESPONSIBILITIES

4.1. Under applicable legislation, the Bylaws, and best corporate governance practices, the Executive Board shall have broad and general administrative powers to fully exercise the direction, coordination, and control of activities in general, performing all acts necessary for its effective operation, as well as prepare and propose the annual and sector budgets, implement the plans approved by the Board of Directors, and keeping the latter informed about its activities and actions.

4.2. Acts involving guarantees, sureties, or other collaterals, as well as any other acts that bind the Company to businesses unrelated to its interests and corporate purpose, are expressly prohibited, null, and void regarding the Company, except when expressly authorized by the Board of Directors.

4.3. Without prejudice to other responsibilities, the Executive Board shall:

- (a)** Actively, passively, judicially, and extrajudicially manage and represent the Company in general;
- (b)** With the authorization of the Board of Directors: (i) acquire and dispose of real estate; (ii) acquire or dispose of any asset or right of the Company, whose value exceeds the limit outlined in the Bylaws; (iii) incur obligations with public and private institutions, including financial institutions, provided that they pertain to the corporate purpose and the normal development of the Company's operations, whenever the value exceeds the limit outlined in the Bylaws; (iv) encumber the Company's movable and immovable property by creating or assigning real guarantees, including mortgage, providing surety or guarantees, in favor of third parties, who are not the Company's subsidiaries, in operations related to its corporate purpose, as provided for in the Bylaws;
- (c)** Confess, waive, settle, or agree on any right or obligation of the Company, provided that it pertains to its corporate operations, and issue and receive releases;
- (d)** Appoint proxies, specifying in the power of attorney the acts and operations they may perform and the duration of the power of attorney, which, in the case of judicial representation, may be for an indefinite period;
- (e)** Ensure compliance with the Shareholders' Agreement filed at the Company's headquarters.
- (f)** Resolve on the opening, closing, and changing of branches, agencies, warehouses, offices, and any other Company establishments, in Brazil or abroad, with reporting to the Board of Directors;
- (g)** Approve the creation, change, and termination of wholly-owned subsidiaries, with activities identical or complementary to the Company's corporate purpose, in Brazil or abroad, with reporting to the Board of Directors;
- (h)** Annually submit, for analysis of the Board of Directors, the Management report and the financial statements accompanied by the independent auditors' report, as well as the proposal for the allocation of profits earned in the previous fiscal year;

- (i) Prepare and propose to the Board of Directors the annual and multi-year budgets, strategic plans, expansion projects, and investment programs;
- (j) Execute the risk management policy and, whenever necessary, propose to the Board any revisions to said policy, due to the risk changes to which the Company is exposed; and,
- (k) Implement and maintain effective mechanisms, processes, and programs for monitoring and reporting financial and operational performance and the impacts of the Company's activities on society and the environment.

4.2. Specific duties of the Executive Board members:

- (a) CEO: convene and preside over the Executive Board's meetings; conduct business and monitor results; ensure compliance with the decisions made by the General Meeting and Board of Directors; and report to the Board of Directors;
- (b) Managing Director: act jointly with the CEO to develop and achieve the Company's objectives, assisting in the performance of their duties; and replace the CEO in their absence and impediments, as provided for in the Company's Bylaws;
- (c) Investor Relations Officer: represent the Company before shareholders and investors; keep the open company registration up to date; and provide and maintain all Company information with the Brazilian Securities and Exchange Commission ("CVM") and the stock exchanges where its securities are traded.
- (d) Executive Officers with no specific designation: perform acts pertinent to their areas of responsibility, as well as those arising from the duties assigned by the Board of Directors; and replace the Managing Director in their absence or incapacity.

5. FUNCTIONING

5.1. The Executive Officers shall perform their duties under the Company's corporate purpose and ensure the normal conduct of its business and operations with strict compliance with the Company's Bylaws and the resolutions of the General Shareholders' Meetings and the Board of Directors, ensuring compliance with the Company's codes and policies, as well as all other applicable internal and external rules.

5.2. Except for acts involving the sale or mortgage or real estate, the creation and assignment of real rights of guarantee on movable and immovable property, including the nomination for attachment in lawsuits, and the appointment of proxies, which shall always require the signature of two Executive Officers, any act or contract that entails liability or obligation for the Company before third parties or the release of such third parties shall be signed: (i) by two Executive Officers; (ii) by one Executive Officer together with a proxy; or (iii) by two proxies.

5.3. The Company may be represented by an Executive Officer or proxy: (i) before federal, state, or municipal public agencies, autonomous entities, and public or mixed companies; (ii) when receiving or issuing releases of amounts or values owed to the Company; (iii) signing mail and routine acts; (iv) endorsing securities for collection or deposit in the Company's name; (vi) testifying in court, whenever the Company is duly cited, without the power to confess.

5.4. Powers of attorney shall always be granted in the Company's name by two Executive Officers, specifying the powers granted and the limits of authority, and must have a determined validity period, except for judicial purposes.

5.5. The Executive Board shall meet whenever convened by the CEO, the Managing Director, or the Board of Directors, in this order, and will be chaired by the Executive Board member who convened the meeting.

5.6. The presence of the majority of its acting members is required to install and resolve on the Executive Board meetings.

5.7. The meetings may be held in person or via videoconference, via the platforms commonly used by the Company, or by any other means of communication that allows the identification of the members and simultaneous communication with all other persons attending the meeting.

5.8. The resolutions of the Executive Board shall be recorded in minutes in the proper book and decided by a majority vote, and the Chair of the meeting has the casting vote.

5.9. The Company may adopt the Governance Portal for organizing meetings, which may also be used as a repository of documents and information.

6. DUTIES AND RESPONSIBILITIES

6.1. The Executive Officers shall maintain the confidentiality and secrecy of insider information they have access to due to their positions until it is disclosed to the market. They must also ensure that third parties related to them do the same.

6.2. A member of the Executive Board who, for any reason, has a conflict of interest or a direct, indirect, or conflicting personal interest with that of the Company in a specific meeting must abstain from participating in the discussion of that item, must leave the meeting until the matter is concluded, and the reason for the abstention must be recorded in the minutes. If the Executive Officer does not declare this, any of those attending the meeting who are aware of the situation must inform the other members of the Executive Board.

6.3. The Executive Board members have the duties of administrators of the Company, as provided for in Articles 153 to 156 of Law 6,404/76, and are liable for damages resulting from omissions in the performance of their duties and acts committed with negligence or intent, or in violation of the law and the Bylaws. The Executive Board members have joint responsibility for any failure to comply with their duties, from which dissenting Executive Board members are exempt when they register their divergence in the minutes of an Executive Board meeting and communicate it to the Company's Board of Directors and General Meeting.

6.4. Without prejudice to other responsibilities inherent to their positions, the Executive Officers shall: (i) consult the applicable rules, the Bylaws, and this Charter before accepting their terms of office; (ii) attend meetings well-prepared, having previously reviewed the documents made available to them, and actively and diligently participate in them; (iii) ensure the adoption of good corporate governance practices by the Company; and (iv) comply with the Company's internal policies to which they must submit, mainly the Code of Ethical Conduct, and Policies related to confidentiality, information disclosure, securities trading, and Related-Party Transactions.

7. COMPENSATION

7.1. The Executive Officers' compensation shall comply with the guidelines outlined in the Company's Compensation Policy, and the Annual Shareholders' Meeting shall determine the global

amount for the administrators, and the Board of Directors shall distribute it individually to each Executive Board member.

8. GENERAL PROVISIONS

8.1. In the event of any discrepancies between the various regulations, the following order of precedence shall apply: the applicable legislation, the Bylaws, B3's Corporate Governance Level Regulation, and this Charter.

8.2. Omissions, discrepancies, interpretative doubts, and any amendments to the provisions of this Charter shall be decided by resolution at a meeting of the Board of Directors.

8.3. This Charter was approved by the Board of Directors, has an indefinite duration, and may be amended at any time by the same Board.

Caxias do Sul, May 11, 2022.

Board of Directors: David Abramo Randon, Daniel Raul Randon, Astor Milton Schmitt, Dan Antônio Marinho Conrado, and Mônica Pires da Silva.

Information and Control		
Edition / Revision	Board of Directors' Meeting Number	Date
Charter	06/21	07/19/2021
1st review	07/22	05/11/2022